

PENSION COMMITTEE
REGULAR MEETING
JULY 26, 2012
TOWN HALL 9:00 A.M.

CALL TO ORDER: The meeting was called to order at 9:00 AM.

MEMBERS PRESENT: Bill Kirkpatrick, chair; George Warner and Ham Wilson, members; Kim Marcotte, Somers CFO; and Tom Forma, Merrill Lynch

APPROVAL OF MINUTES OF REGULAR MEETING OF 4/26/12: The minutes were approved as written.

INVESTMENT REVIEW AND DECISIONS FOR THE TOWN FUND

Overall performance for the fiscal year is relatively good considering the investment volatility. The preferred stock investments provided stability and aided performance. Including the extra money from the town, the plan has \$220,000 in cash available for investing. After discussion, it was moved and seconded to invest \$10,000 in AEW Capital Management now and to begin a three-month program of \$10,000 per month into the Vanguard Emerging Markets Fund (VWO). In addition, it is the committee's intention to add \$50,000 to our preferred stock holdings, pending information to be supplied by Tom Forma.

THE REVISED VOLUNTEER FIRE PLAN: No comments or questions arose as the revisions are in line with the town plan.

ACTUARIAL REPORT: Even in light of strong performance last year, the funded ration did not increase due to pension plan revisions.

INVESTMENT REVIEW AND DECISIONS FOR THE VOLUNTEER FIRE FUND:

Under performance from precious metals and international equities detracted from investment performance in the previous fiscal year and this calendar year. Cash flow is not a problem, and fund has cash to invest. To bring investments into balance, it was seconded and unanimously passed to invest \$2,000 into the precious metals fund, \$1,000 into the small stock fund, and \$1,000 into the ex-US real estate fund.

REVIEW OF LETTER TO EMPLOYEES: There was a question as to the plan value as of 6/30/12. A change in language and possibly performance will be researched. Kim Marcotte will provide feedback. With the further revisions, the letter should be ready for distribution by Mid-August.

ADJOURNMENT: The meeting was adjourned at 10:30 A.M.

Respectfully submitted,

Hamline C. Wilson
Clerk